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November 4, 2002

BY ELECTRONIC FILING

Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, SW
Washington, DC 20554

**Re: 2002 Biennial Regulatory Review of Telecommunications Within
the Purview of the International Bureau - IB Docket No. 02-309**

Dear Ms. Dortch:

Home Box Office, a division of Time Warner Entertainment Company, L.P. ("HBO"), by its attorneys, submits this letter in support of the comments filed in the above-referenced proceeding on October 18, 2002, by New Skies Satellites N.V. ("New Skies"). New Skies proposes that the Federal Communications Commission ("FCC") amend rule section 25.131(j) to permit receive-only earth stations in the United States to access non-U.S. licensed space stations without obtaining an earth station license.^{1/}

HBO agrees with New Skies' proposal to eliminate the licensing requirement for receive-only earth stations communicating with foreign space stations because intervening events since the adoption of the rule have rendered it unnecessary. The rule was originally created as a means by which the FCC, lacking jurisdiction over foreign satellite operators, could maintain control over the entry into the U.S. market by foreign satellite service providers. However, as New Skies explains, the creation by the Commission of the Permitted Space Station List ("Permitted List"), under the FCC's DISCO II policies now serves as the mechanism by which the FCC maintains oversight of non-U.S. space station operators serving the United States.

^{1/} On January 4, 2000, HBO submitted a *Motion for Clarification and Declaratory Ruling* ("Motion") making a similar request that the FCC clarify its rules to permit receive-only earth stations to receive signals from non-U.S. licensed space stations without obtaining a license. A copy of the *Motion* is attached and offered in support of New Skies' position.

Marlene H. Dortch, Secretary

November 4, 2002

Page 2

Prior to including a non-U.S. satellite on the Permitted List, the FCC assesses the technical, legal and financial information of the non-U.S. licensed space station operator and determines under what conditions to permit such operator to serve U.S. customers. Therefore, because a foreign space station's placement on the Permitted List accomplishes the same objective as requiring receive-only earth stations to be licensed before operating with non-U.S. licensed space stations, the latter requirement is superfluous and should be eliminated.

Finally, revision of FCC rule section 25.131(j) is in the public interest because it will place foreign space station operators on a level playing field with U.S. licensed operators, thereby creating a more competitive market for satellite services. Companies such as HBO, which are major users of satellite services, benefit when there is robust competition among multiple satellite operators. Under the current rule, however, program networks are reluctant to consider foreign-licensed satellites for domestic services, because of the cost and inconvenience of having to obtain directly, or through their program affiliates, licenses for what could be thousands of receive-only earth stations. The Commission should move quickly, as requested by New Skies, to remove the market disadvantage faced by foreign satellite operators and provide additional, real competition in the U.S. satellite service market.

For the foregoing reasons, it is in the public interest for the FCC to adopt the New Skies proposal.

Respectfully submitted,

HOME BOX OFFICE, a Division of Time
Warner Entertainment Company, L.P.

By: /s/ Benjamin J. Griffin
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Attachment

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